September 21, 2021

The Honorable Sherrod Brown
Chairman
Subcommittee on Social Security, Pensions and Family Policy
Committee on Finance
Washington, DC, 20510

The Honorable Todd Young
Ranking Member
Subcommittee on Social Security, Pensions and Family Policy
Committee on Finance
Washington, DC, 20510

Dear Chairman Brown and Ranking Member Young:

On behalf of our 38 million members and all older Americans nationwide, AARP would like to thank you and the members of the Social Security, Pensions, and Family Policy Subcommittee for holding today’s important hearing on “Policy Options for Improving SSI.” We appreciate your efforts to examine areas in which Congress can make much-needed improvements to the Supplemental Security Income (SSI) program, which is a critical lifeline for millions of Americans who are most in need.

As you know, SSI provides needs-based financial assistance to approximately 7.8 million Americans, including children, individuals with severe disabilities, and those over the age of 65, with very low incomes and limited resources. While some states supplement SSI, its monthly benefits are extremely modest and, in August 2021, averaged only $586 for all individuals and $476 for those age 65 and over. Even the maximum monthly federal benefit in 2021 is only $794 for an individual and $1,191 for a couple, well below the poverty level. AARP believes SSI’s current maximum benefit levels do not go far enough to keep recipients out of poverty, and as such, Congress should increase benefits to bring SSI beneficiaries up to the poverty level.

In addition, to qualify for SSI, an individual must have assets valued at less than $2,000, and for couples, that amount is $3,000. These asset limits were set over 30 years ago and have not been adjusted since to reflect inflation. As a result, fewer and fewer of those in legitimate need, especially those who are older, are able to qualify for SSI. AARP believes Congress should increase the current asset limits and index those limits to inflation moving forward. Congress should also similarly update both the general and earned income exclusions for SSI, which have

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2 ibid
also not kept pace with inflation since they were set in 1981 at $20 and $65 per month, respectively.

Finally, AARP believes that certain SSI rules can also create financial hardships for the caregivers of beneficiaries. For example, SSI’s already modest benefits may be reduced by one-third if a beneficiary lives in another person’s household and does not pay for all his or her food and shelter. Such assistance is considered in-kind support and maintenance and is counted as income for SSI purposes. AARP is concerned about family caregivers who are struggling to help their older parents, spouses and other loved ones remain at home, where they want to be. As such, AARP believes Congress should modify SSI’s rules to support informal caregiving arrangements and eliminate the one-third reduction in benefits for recipients living in someone else’s household and not paying for food or shelter.

Once again, thank you for holding today’s important hearing. SSI is often cited as “a program of last resort” and millions of older Americans, children, and those with disabilities and with limited resources rely on it for the bare necessities of life. Congress should work together to improve and update this program for the future and ensure it provides adequate assistance to those who are most in need. If you have any questions, please feel free to contact me, or have your staff contact Tom Nicholls of our Government Affairs staff at tnicholls@aarp.org or (202) 434-3765.

Sincerely,

Bill Sweeney
Senior Vice President
AARP Government Affairs